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GJ

PHILIP MORRIS U.S.A.
 INTER-OFFICE CORRESPONDENCE
 RICHMOND, VIRGINIA

To: B. J. Case
 From: B. J. Horan
 Subject: CONSOLIDATION OF PHILIP MORRIS USA RECORDS MANAGEMENT DEPARTMENTS

DRAFT

Date: July 2, 1991

Within Philip Morris USA, there are currently six decentralized Records Management departments. These departments are made up of 40 employees (30 full-time salaried employees and 10 temporaries). The combined annual operating budgets of these groups total \$2,300,000.

As outlined in the attached proposal, consolidation of these six groups would reduce operating costs and improve the management of company records. A minimum of 3 positions could be eliminated immediately while still allowing the requirements of the Records Management Program to be met. Once all Philip Morris USA departments have fulfilled the basic program requirements, even more reductions could be realized.

This consolidation proposal has been discussed with Steven C. Parrish, Sr. VP and General Counsel to Philip Morris USA. From a legal perspective, he urges that we proceed in this direction. The Legal Department has also expressed a desire to play a role in ~~organizing~~ ^{of} a centralized Records Management department.

The development of

Since there will obviously be issues on how this consolidation should occur, I look forward to discussing this with you further.

Attachment

7-3-91

Richard,
 I have not discuss
 -this w/ B.J. Horan yet.
 He may want to modify
 or have sent under my
 signature. I wanted
 you to review first!

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Lewis
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